

March 31, 2014

The Honorable John Boehner Speaker of the House H-232, The Capitol Washington, D.C. 20515

The Honorable Eric Cantor Majority Leader H-329, The Capitol Washington, D.C. 20515 The Honorable Nancy Pelosi Democratic Leader H-204, The Capitol Washington, D.C. 20515

The Honorable Steny Hoyer Democratic Whip H-148, The Capitol Washington, D.C. 20515

Dear Speaker Boehner, Leader Pelosi, Leader Cantor, and Representative Hoyer:

The National Grocers Association (NGA) supports H.R. 2575, the Save American Workers Act (SAW), a bill introduced by Representative Todd Young (R-IN) and championed by Representative Dan Lipinski (D-IL). The bill has broad support in the House, with 210 bipartisan co-sponsors. NGA strongly encourages the House to pass the bill with bipartisan support during the vote scheduled for the week of March 31. We commend Majority Leader Cantor for bringing H.R. 2575 to the Floor for what will hopefully be an overwhelming vote in support of the bill.

H.R. 2575 addresses one of the most problematic provisions of the Affordable Care Act (ACA) by amending the definition of a full-time employee, which the ACA currently defines as those averaging 30 hours a week. Left unchanged, this provision will have far reaching consequences on the independent supermarket industry. Simply put, 30 hours is not full-time and requiring employers to meet this new definition is one of the most significant challenges of the law, jeopardizing coverage for our true full-time workforce. The SAW Act seeks to amend this problematic provision by defining a full-time employee as those averaging 40 hours a week and treating full-time equivalents as full-time employees for the purposes of determining whether an employer is an applicable large employer. This is a win-win for both American employers and our nation's workforce.

Independent grocers face complex challenges in implementing the law all while operating on a profit margin of around 1 percent. They are committed to their workers, and 92% of independent grocers already provide health benefits to full-time employees. It is important that Congress work in a bipartisan manner to provide employers with important reforms such as the SAW Act before irreversible changes to the US job market occur. Maintaining the full-time level many employers use today is something both sides of the debate can agree would be better for job preservation and employee coverage. Reforms such as the SAW Act are vital to our businesses and to our goal of providing quality benefits and available hours to our employees. Independent

retailers and wholesalers have a significant economic impact across nearly every community in America. Our industry is accountable for close to 1 percent of the nation's overall economy and is responsible for generating over \$131 billion in sales, 944,000 jobs, \$30 billion in wages, and \$27 billion in tax revenue. We are proud that the communities we serve are also the neighborhoods we live in.

Thank you for your support of this important issue. NGA looks forward to continuing to work with Congress to address this issue before the employer mandate is implemented in 2015. This is a critical issue for NGA and our member companies, and we will be key voting this vote and including it on our 2014 Legislative Scorecard. We remain appreciative of the reforms Congress has already made to amend the ACA to make the law workable for both employers and the American workforce.

Sincerely,

Peter J. Larkin President and CEO

National Grocers Association (NGA)

cc: All Members of the House of Representatives